European Close

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	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Cape 1 month forward	19125	17325	-9.4%	Pmx 1 month forward	17000	15875	-6.6%
Cape Q2 23	20100	18875	-6.1%	Pmx Q2 23	17250	16300	-5.5%
Cape Cal 24	16400	15950	-2.7%	Pmx Cal 24	13475	13200	-2.0%

	Previous Close	Current Close	% Change		Previous Close	Current Close	% Change
Smx 1 month forward	16675	16000	-4.0%	Brent	77.61	72.53	-6.5%
Smx Q2 23	16700	16075	-3.7%	WTI	71.48	66.5	5 -7.0%
Smx Cal 24	13800	13525	-2.0%	lron ore	132	130.2	-1.4%
Iron Ore					So	ource FIS/BI	oomberg

Iron Ore

China will again cut annual crude steel production in 2023, according to a person familiar with the decision, marking the third year in a row that the government has mandated reduced output in order to rein in carbon emissions from the heavily polluting sector. China is the world's biggest producer and consumer of the alloy, which is the backbone of its industrial economy. Since output hit a record of 1.053 billion tons in 2020, it has declined each year to remain just above 1 billion tons. The sector accounts for about 15% of national emissions, second only to electricity generation. As part of the plan, the government will also ban new steelmaking capacity, the person said, declining to be named when discussing policy. China's economic planning agency, the National Development and Reform Commission, didn't immediately respond to a request for comment (Bloomberg). We noted on the morning report that we were seeing signs of momentum weakness, warning support levels were vulnerable. On the back of the news report the futures have weakened with the April contract closing the day USD 2.5 lower at USD 130.05. Key support to follow remains below USD 127.38 - USD 127.05, if broken it would leave the USD 121.30 fractal low vulnerable.

US HRC April 23

US HRC April 23 (Rolling Front Month) 15/03/23 https://fisapp.com/wp-content/uploads/2023/03/FIS-US-HRC-Technical-15-03 -23.pdf

Copper

Gold reversed an earlier loss and copper dropped to a two-month low as traders rushed to haven assets amid the turmoil at Credit Suisse Group AG and mixed US data that complicated the Federal Reserve's interest-rate hike path. Fresh woes at the Swiss lender and the collapse of some regional US banks spurred renewed selloffs in risky assets, with US equities plunging and commodities such as copper and oil tumbling. Traders sought safety in the dollar and bullion, which surged to the highest in more than a month (Bloomberg). The market is risk off, meaning copper has come under pressure with price over USD 300 lower at USD 8,527 going into the close. The technical is bearish with the futures making new lows; however, there is a divergence in play dating back to the 24/02 that will need to be monitored. We are cautious, if for no other reason, sentiment in these situations can change very quickly.

Capesize

After a strong index yesterday, we have seen a negative one today with price USD 47 lower at USD 17,443. We maintained a cautious view on the back of the rejection candle for the second day yesterday. The futures have come under pressure again with the April contract trading USD 1,675 lower at USD 17,450 going into the close, meaning we are just above a key support level at USD 17,396. If broken the technical will have a neutral bias, meaning the probability of the futures trading back to a new high will decrease. A downside moves below USD 17,225 will further weaken the technical, suggesting the USD 15,475 fractal low could come under pressure.



Panamax

The index is up, but momentum is slowing down with price only USD 227 higher at USD 14,576. We noted on the technical report yesterday that although bullish there were warning signs that the market needed to be aware of. The April futures have come under further pressure today with price USD 1,075 lower at USD 15,925. Key support has been broken, the technical now has a neutral bias, with the futures moving lower on the back of a negative divergence with the RSI on an Elliott wave 5, this would suggest that the bull cycle has completed, leaving support levels vulnerable.

Supramax

Another good index today with price USD 365 higher at USD 14,254. However, like the rest of the freight complex the April futures are lower today with price down 675 at USD 16,000. From a technical perspective we are at a key level, the index remains supported at this point but the futures are testing the USD 15,843 support, if broken the technical will have a neutral bias. We are moving lower on a negative divergence whilst on an Elliott wave 5, warning the bull cycle could have ended for now, making USD 15,843 the key support to follow.

Urea Middle East April 23

Urea Middle East April 23 (Rolling Front Month) 15/03/23 https://fisapp.com/wp-content/uploads/2023/03/FIS-Ferts-Technical-15-03-23.pdf

Oil

Oil extended its plunge as an unfolding banking crisis combined with supply-glut fears to fuel a wave of technical selling. Both West Texas Intermediate and Brent crude tumbled to 15-month lows, with banking-sector turmoil driving investors — including trend-based traders — from risky assets. Also accelerating the selloff, according to UBS Switzerland AG, is a strategy called delta hedging, in which financial institutions limit their exposure to falling prices in the options market by dumping crude futures (Bloomberg). The futures broke the symmetrical triangle a couple of days back with price now nearly USD 10 lower. We have now traded below the USD 72.83 support meaning we now target the 100% Fibonacci projection at USD 67.38. if we carry on at this rate, we should soon hit my downside target at USD 65.00.

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